



# RESEARCH REPORT

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<b>Catalog number</b>	99-015
<b>Date:</b>	November 22, 1999
<b>Subject:</b>	Slumlord Mandate
<b>To:</b>	David Smith, County Administrative Officer
<b>From:</b>	Sandi Wilson, Deputy County Administrative Officer Chris Bradley, Budget Manager
<b>Prepared By:</b>	Michael Heslin, Budget Analyst Maria K. Tutelman, Budget Analyst (Lead)

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## EXECUTIVE SUMMARY

### I. ISSUE AND BACKGROUND

This report contains the results of research conducted to primarily determine mandated functions for Maricopa County from Senate Bill (SB) 1278 and the estimated costs to Maricopa County in performing the mandated functions. Non-mandated functions and associated costs are also discussed.

On June 17, 1999, a joint budget request was submitted from County Assessor, County Attorney, County Environmental Health Services, and County Planning and Development, to implement SB 1278. Total funds originally requested for estimated first year (FY 99-00) costs were \$785,052 and \$448,814 for estimated second year (FY 00-01) and ongoing costs, which includes \$150,000.00 for an abatement fund each year. The request was submitted on the day the FY 99-00 budget was adopted so it was not considered during FY 99-00 budget development.

SB 1278 went into effect on August 6, 1999. The Maricopa County Attorney Slumlord Taskforce was instrumental in formulating SB 1278 as part of its countywide effort to address slum properties contributing to blight and crime. According to the County Attorney, enforcement of SB 1278 will improve quality of service to the community. Taskforce efforts have received media attention.

### II. ANALYSIS

#### A. Mandated and Non-mandated Functions

- Mandated

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In consulting with knowledgeable Arizona State Senate legislative staff, reviewing the legislation, and discussions with the aforementioned departments, **SB 1278 mandates<sup>1</sup> that all residential rental property owners register with the Maricopa County Assessor's Office or else be fined \$1,000 and \$100 per month for each month they are not registered. The registration information must be maintained by the County Assessor's Office and be accessible to the public.**

- Non-mandated

SB 1278 also brings many changes to criminal nuisance<sup>2</sup> abatement statutes regarding residential and commercial property owners, provides a definition of what constitutes slum property, and establishes a process by which slum property may be abated. Civil and criminal penalties for residential property owners increase from a maximum of \$2,000 to \$10,000 and from a class 6 felony (presumptive one year in prison) to a class 5 felony (presumptive 1.5 years in prison) respectively. The criminal penalty for commercial property owners remains as a class 6 felony.

A temporary receiver can now be appointed by the court to abate a residential property and all abatement related costs including the receivership, can be ordered for the owner to pay. The property can be foreclosed and a lien can also be placed on the property. If the property is not registered with the County Assessor's Office, it can be inspected for a maximum of three years at the expense of the owner.

**However, functions relating to provisions made by SB 1278 nonspecific to County Assessor are non-mandated. SB 1278 grants the County Attorney, County Environmental Health Services, and County Planning and Development the authority but does not require them to pursue abatement under provisions as stated in SB 1278.**

County Attorney responsibility on filing for criminal nuisance abatement pertains to only the unincorporated communities<sup>3</sup> of Maricopa County. However, County

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<sup>1</sup> A mandated function, for purposes of this report, is defined as a function that is statutorily required for a County agency to perform. A statute may give a County agency the authority to perform a function without requiring it to perform that function.

<sup>2</sup> Pursuant to ARS § 13-2908, "A person commits criminal nuisance: 1. If, by conduct either unlawful in itself or unreasonable under the circumstances, such person recklessly creates or maintains a condition which endangers the safety or health of others. 2. By knowingly conducting or maintaining any premises, place or resort where persons gather for purposes of engaging in unlawful conduct."

<sup>3</sup> Currently, there are 24 incorporated cities and towns and 32 unincorporated communities in Maricopa County ([www.maricopa.gov](http://www.maricopa.gov), Maricopa County On-line, County At a Glance...). Annual growth rate for the unincorporated communities from 1995 to 1998 was 2.5% compared to 3.6% for the entire county, comprising 4.6% of the share of growth. In 1998, resident population in the unincorporated areas was 185,605, comprising 7% of Maricopa County's total population (Maricopa County Association of Governments, 1995 Special Census and July 1, 1996 to July 1, 1998 Resident Population).

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Attorney can prosecute as felonies, city referrals on violators of criminal nuisance abatement superior court orders. County Planning and Development is responsible for servicing only unincorporated communities whereas County Environmental Health Services is responsible for enforcing the Environmental Health Code adopted by the County pursuant to ARS §36-601, in the unincorporated communities and incorporated cities and towns.

## **B. Caseloads and Staffing**

Data analyzed pertained to current and projected caseloads on residential rental property registrations and environmental health code, zoning ordinance, building code, and weed abatement ordinance number 11 complaints, investigations/inspections, referrals, and prosecutions. Although these caseloads may represent some of the work associated with SB 1278, the extent of caseload impact from SB 1278 is still unknown at this time as registrations are not completed and no cases have been prosecuted as yet under SB 1278. Three abatement cases are currently being pursued by County Attorney, County Environmental Health Services, and County Planning and Development under the weed abatement ordinance number 11, one of the cases involving an apartment complex with 20 rental units located at the 80<sup>th</sup> Avenue County Island.

## **C. Costs and Benefits**

- **Mandated functions for County Assessor would cost the County an estimated \$111,162.00 for FY 99-00 first year costs and an estimated \$15,874.00 for FY 00-01 second year and ongoing costs. However, County Assessor will absorb the costs from current and next year general fund money.** The direct benefit to the County is compliance with a mandate and availability of the information for enforcement of owner noncompliance.
- Funding non-mandated functions would incur the following costs, as estimated by the departments (no validation of cost estimates was completed, since caseload volumes cannot be validated at this time):
  - (a) County Attorney - \$173,973.98 in estimated FY 99-00 first year (11/99-6/99) costs and an estimated FY 00-01 second year and ongoing costs of \$160,553.98 annualized. Costs that may be absorbed by the department excluded from first year and ongoing cost estimates include existing office space, copier lease, and telephone programming which may be absorbed by wiring and installation estimates.
  - (b) County Environmental Health Services - \$15,126.13 in estimated FY 99-00 first year (11/99-6/99) costs and an estimated FY 00-01 second year

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and ongoing costs of \$22,689.20 annualized. The original request was modified by the department to exclude a request for a car. Additionally, department operation and overhead costs such as risk management, rent, facilities management, etc., were not applicable and not included. The above costs represent only salary and benefits for one half time position requested by the department.

- (c) County Planning and Development - \$151,394.66 in estimated FY 99-00 first year (11/99-6/99) costs and an estimated FY 00-01 second year and ongoing costs of \$141,500.00 annualized. Note that both estimates include \$100,000.00 for an abatement fund each year. Cost estimate for a car was modified to reflect the same unit cost as County Attorney, a lesser amount.

Since County Planning and Development is a special revenue fund department, staffing and other costs, excluding the \$100,000.00 for the abatement fund would be supported by the collection of building permit fees and fines on zoning violations. County Environmental Health Services is partially supported by the collection of permit fees; however, the department is asking that the half time position requested be funded by the general fund as the revenue collected from fees supports functions relating to permitted establishments (e.g., restaurants).

**Therefore, the impact to the general fund from County Attorney, County Environmental Health Services, and County Planning and Development would be a total of \$289,100.11 estimated FY 99-00 first year (11/99-6/99) costs and \$283,243.18 estimated FY 00-01 second year and ongoing costs, which includes \$100,000.00 for an abatement fund each year. The department having administrative authority over the fund would be determined at a later time with both County Environmental Health Services and County Planning and Development having access to the fund.**

The benefit to enforcement of SB 1278 specifically relating to criminal nuisance abatement including abatement of slum properties is improved quality of life, an intangible benefit. However, data which may be tracked contributing to improved quality of life includes reduced criminal activity, increase in property valuations, greater community satisfaction, etc.

### **III. Conclusions and Recommendations**

**OMB recommends that a budget issue be submitted for non-mandated functions in preparation for next fiscal year's budget with projected caseload**

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information and measurable outcomes or performance measures. Activity associated with SB 1278 non-mandated functions would need to be absorbed initially and used as a basis for future caseload projections. Grant opportunities, including technical assistance by the Bureau of Justice Assistance (BJA) to develop performance measures may also be pursued.

Ultimately, the decision on whether to fund non-mandated functions is a policy decision by the Board of Supervisors considering other competing priorities for the Board. The benefit of addressing blight and slum property by enforcing SB 1278 is improved quality of life, an intangible benefit which may be tracked by changes in crime in the neighborhood, community satisfaction, property value, etc. If the Board decides to expend general funds to support non-mandated functions for County Attorney, County Environmental Health Services, and County Planning and Development, OMB recommends that performance measures or outcomes be established to assess future success for ongoing funding.

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## **RESEARCH REPORT**

### **I. ISSUE**

The County Assessor, County Attorney, County Environmental Health Services, and County Planning and Development submitted a budget request to implement SB 1278 mandated functions. The request was submitted to the Office of Management and Budget (OMB) on June 17, 1999, the day the FY 99-00 budget was adopted, so it was not considered during FY 99-00 budget development. This report addresses the following question: "What are the mandated vs. non-mandated functions for Maricopa County from SB 1278 and what are the associated costs?" Recommendations for action are also made to the Board of Supervisors.

### **II. BACKGROUND**

SB 1278 was enacted into law August 6, 1999, addressing needed changes to previous criminal nuisance abatement statutes regarding enforcement, defining what constitutes slum property, and establishing a process by which abatement of slum property may occur. Additionally, SB 1278 establishes new legislation by now requiring residential rental property owners to register with the County Assessor's Office.

SB 1278 was initiated by the Maricopa County Slumlord Taskforce, created in 1998 by County Attorney Rick Romley and Phoenix City Councilman Phil Gordon, both of whom shared a mutual concern about blight and slum properties contributing to neighborhood decline. Members of the taskforce include representatives from the City of Phoenix, Phoenix Neighborhood Services, Phoenix City Prosecutor's Office, Phoenix Police Department, Maricopa County Attorney's Office, Maricopa County Environmental Health Department, Housing and Urban Development, and United States Attorney's Office.

At the time Mr. Romley and Councilman Gordon joined efforts to form the taskforce, Mr. Romley was also a member of the Phoenix Violence Prevention Initiative (PVPI), a partnership among the City of Phoenix, Arizona Supreme Court, Greater Phoenix Leadership, Maricopa County Attorney, and ASU's Morrison Institute of Public Policy. PVPI was formed in 1997 and by 1998 developed 13 initiatives as part of a violence prevention strategy. Three initiatives deal with upgrading resources for community development, blight elimination by density, zoning, and code enforcement, and community involvement for safe, healthy communities improving quality of life.<sup>4</sup>

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<sup>4</sup> Phoenix Violence Prevention Initiative, Phase II Report, August 1998, pp. 29-31.

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Taskforce efforts first focused on investigating the top 20 slum properties in Phoenix. Recently, two additional task forces were formed, the Buckeye Slum Task Force and the 80<sup>th</sup> Avenue County Island Task Force.

SB 1278 had the support of neighborhood organizations testifying to the “need for changes”<sup>5</sup>. Property owners lobbied for the least restrictive infringement on their property rights. Additionally, concerns were voiced on behalf of tenants who would now be affected by foreclosure of a property in noncompliance with a criminal nuisance abatement court order.

Slumlord Taskforce efforts have, prior to and after the enactment of SB 1278, received attention from the media. Listed below are revisions made to criminal nuisance abatement statutes per SB 1278 and new legislation set forth by SB 1278.

#### **1. SB 1278 Revises Previous Criminal Nuisance Abatement Laws<sup>6</sup>:**

- The previous loophole, which allowed residential property owners to avoid the law by selling the property, no longer exists. Upon the issuance of a criminal abatement superior court order, a notice of the action is filed with the County Recorder, holding subsequent owners responsible.
- Since an order for criminal nuisance abatement presumes prior knowledge by the owner of the criminal nuisance, that presumption now arises upon notice from a governmental authority of documented criminal offenses occurring on the property.
- The superior court can now appoint a temporary receiver or close the property if it poses a health or safety concern or an immediate threat to residents or neighbors.
- The superior court can now order that a residential property owner pay for the criminal nuisance abatement and any other costs associated with the abatement including the temporary receiver. Upon the issuance of the abatement order, a lien can be placed on the property. If two or more injunctions requiring abatement are issued within three years, the superior court can order payment of three times the abatement cost and any other costs associated with the abatement.

<sup>5</sup> ALIS Online ([www.azcentral.com](http://www.azcentral.com)), Arizona State Senate Revised Fact Sheet for SB 1278, 8/30/99.

<sup>6</sup> May not be all inclusive of all changes but what is most significant resulting from Taskforce efforts and pertinent to this analysis.

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- If convicted of a violation of a superior court order to abate, a residential property owner now faces a class 5 felony (presumptive 1.5 years in prison) if convicted. Previously, the designation was a class 6 felony although it still remains as a class 6 (presumptive one year in prison) for commercial property owners. Civil penalty increased from \$2,000 to \$10,000 for residential property owners.

## **2. SB 1278 Establishes New Legislation<sup>7</sup>:**

- Residential rental property owners, even if they reside out of state, now have to register with the County Assessor's Office or else be fined \$1,000 and \$100 for each month the owner fails to register. Also, an owner cannot rent any unoccupied units prior to registering.
- A definition is provided of what constitutes slum property.
- The superior court can assign a temporary receiver to manage the slum property to correct noncompliance with the registration requirement or nuisance causing slum property designation. Income from the property can pay for temporary receiver costs.
- A residential rental property owner who is not registered and owns a property identified as slum property is now subject to inspection of the property for a maximum of three years. The owner is responsible for inspection costs.

In conducting the research for this report, OMB met with Arizona State Senate legislative staff knowledgeable of the new legislation. Additionally, questionnaires were distributed to and meetings were held with staff from the County Assessor, County Attorney, County Environmental Health Services, and County Planning and Development.

SB 1278 is multi-jurisdictional, in that a city, county, the state, or even an individual may file with the superior court requesting an injunction for abatement of criminal nuisance on a residential property. County responsibility for this legislation is to the Maricopa County unincorporated communities. The exception is the County Environmental Health Services department that is required to also service incorporated cities and towns to enforce the County Environmental Health Code previously adopted pursuant to ARS § 36-601. Also, County Attorney can pursue felony prosecution on city referrals for violators of criminal nuisance abatement superior court orders.

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<sup>7</sup> May not be all inclusive of all new legislation but what is most significant resulting from Taskforce efforts and pertinent to this analysis.

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### **III. ANALYSIS**

#### **A. Constraints**

The following difficulties were encountered during the analysis:

- As the legislation is fairly new, its impact is largely unknown at this time; therefore, County Attorney, County Environmental Health Services, and County Planning and Development were unable to project future activity or caseloads for SB 1278. Information was provided on past and current caseloads regarding environmental health code, zoning ordinance, building code, and weed abatement ordinance number 11 violations; some of these caseloads may be impacted by future SB 1278 related activity.
- Performance measures or outcomes were also difficult to assess by the County Attorney, County Environmental Health Services, and County Planning and Development. Criminal abatement cases have not been pursued as yet under SB 1278, or any violations of the property registration statutes also under SB 1278.

#### **B. Mandated and Non-Mandated Functions**

In reviewing SB 1278 with the aid of Arizona State Senate legislative staff knowledgeable of the new legislation, the following are the mandated and non-mandated functions:

- Mandated Functions

The County Assessor is required to provide a system to register residential rental property owners throughout Maricopa County with the County Assessor's Office. This includes out-of-state property owners. Additionally, the County Assessor must maintain record of and allow public access to the information.

- Non-mandated Functions

(a) The County Attorney, in conjunction with the County Environmental Health Services and County Planning and Development can pursue abatement of criminal nuisance on residential and commercial properties in the Maricopa County unincorporated communities. The abatement process for commercial properties does not allow the superior court to foreclose on a property. However, the court can now do so on a residential

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property if necessary for the criminal nuisance to be abated, assign a temporary receiver, and order payment for the receiver and abatement from the owner.

Upon the superior court ordering a permanent injunction against a residential property owner for abatement of a criminal nuisance, the action can be filed with the County Recorder placing a lien on the property. The superior court can impose a maximum \$10,000 civil penalty and a residential property owner failing to comply with a temporary restraining order, temporary or permanent injunction, can be charged with a class 5 felony.

- (b) The County Attorney can pursue felony prosecution of residential and commercial property owners upon owner noncompliance with a superior court criminal nuisance abatement order, the injunction having been filed by a city attorney. This applies to cases in the incorporated cities and towns.
- (c) Any governmental agency or authority, including County Attorney, County Environmental Health Services, and County Planning and Development can inspect a slum property in the Maricopa County unincorporated communities for a maximum of three years to ensure correction of the condition causing the slum property designation and immediate inspection to ensure compliance with the rental property owner registration. County Environmental Health Services can also inspect slum property in incorporated cities and towns, enforcing the County Environmental Health Code pursuant to ARS § 36-601.

### **C. Cost/Benefit of Mandated and Non-Mandated Functions**

Table 1 (next page) depicts OMB estimated first and second year (ongoing) County costs for mandated and non-mandated functions. OMB's estimates are derived after the original budget request was modified to exclude expenses that may be absorbed by the department(s) or other County departments or costs that were not applicable (cost for office space in the County Administration building already occupied by County Attorney, cost for copier lease for County Attorney that may be absorbed by County Attorney, telephone programming costs for County Attorney which may be absorbed in cost estimates for installation and wiring, cost for a request for a car from County Planning and Development was adjusted to same cost as County Attorney request for a car, operation and overhead costs for County Environmental Health Services including risk management, facilities management, rent, etc., and Electronic Business Center programming costs for County Assessor).

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Additionally, upon further discussion with the departments, revisions were made by the departments to the original budget request (decrease in abatement fund request to \$100,000 from County Planning and Development, no request for a car from County Environmental Health Services, and a request for a half time position rather than a 1/3 time position for County Environmental Health Services). The original total budget request, including \$150,000 for an abatement fund, was \$785,052 for FY 99-00 initial costs and \$448,814 for FY 00-01 and ongoing costs.

**TABLE 1: ESTIMATED FIRST AND SECOND YEAR (ONGOING) COSTS**

	<b>Mandated</b>	<b>Non-mandated</b>		
	County Assessor	County Attorney	County Environmental Health Services	County Planning and Development
FY 1999-00	(Annualized)	(11/99-6/99)	(11/99-6/99)	(11/99-6/99)
Personnel	\$ 90,000.00	\$ 105,363.98	\$ 15,126.13	\$ 27,666.66
Operating	\$ 21,162.00	\$ 1,672.00	\$ -	\$ -
Equipment	\$ -	\$ 66,938.00	\$ -	\$ 23,728.00
Abatement Fund	\$ -	\$ -	\$ -	\$ 100,000.00
<b>TOTAL</b>	<b>\$ 111,162.00</b>	<b>\$ 173,973.98</b>	<b>\$ 15,126.13</b>	<b>\$ 151,394.66</b>
<b>Total Mandated</b>	<b>\$ 111,162.00</b>		<b>Total Non-mandated</b>	<b>\$ 340,494.77</b>
FY 2000-01 (Ongoing)	(Annualized)	(Annualized)	(Annualized)	(Annualized)
Personnel	\$ 13,100.00	\$ 158,045.98	\$ 22,689.20	\$ 41,500.00
Operating	\$ 2,774.00	\$ 2,508.00	\$ -	\$ -
Equipment	\$ -	\$ -	\$ -	\$ -
Abatement Fund	\$ -	\$ -	\$ -	\$ 100,000.00
<b>TOTAL</b>	<b>\$ 15,874.00</b>	<b>\$ 160,553.98</b>	<b>\$ 22,689.20</b>	<b>\$ 141,500.00</b>
<b>Total Mandated</b>	<b>\$ 15,874.00</b>		<b>Total Non-mandated</b>	<b>\$ 324,743.18</b>

- **To comply with the mandated function for the County Assessor, estimated first year annualized costs for County Assessor total \$111,162.00, with estimated second year and ongoing costs of \$15,874.00 annualized.** First year costs are much higher because County Assessor must register all 108,000 rental property owners in the first year. An additional 17,000 are projected to be registered next year.

County Assessor indicated that \$9,750.00 of first year costs was absorbed in FY 98-99 budget, as some costs were incurred in May 1999 in preparation for the new mandate. Therefore, the balance remaining for FY 99-00 is \$101,412.00. According to the County Assessor, these costs can be absorbed in FY 99-00, in addition to the second year and ongoing costs.

- Funding the non-mandated functions would incur an estimated first year cost of \$340,494.77 (from 11/99-6/99) and \$324,743.18 for estimated second-year and ongoing costs (annualized). This includes an abatement fund of \$100,000.00

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requested by County Planning and Development, comprising about 1/3 of total costs.

However, County Planning and Development's budget is currently supported by the collection of building permit fees and the department will soon be implementing an administrative hearing officer program to collect fines on zoning violations. Although fines are not projected to be a major source of revenue, the department can absorb personnel, operational, and one-time equipment costs for SB 1278 excluding the \$100,000.00 requested for the abatement fund.

Although County Environmental Health Services is partially supported by the collection of fees, they are collected for permits, e.g., restaurant health permits and could not be used to support SB 1278. County Environmental Health Services is thus requesting general funds for SB 1278.

**Deducting personnel, equipment, and operational costs for County Planning and Development is an adjusted total of \$289,100.11 in estimated first year (11/99-6/99) costs and \$283,243.18 estimated second year and ongoing costs (annualized) for the general fund. These costs include \$100,000.00 for the abatement fund each year. The department having administrative authority over the fund would be determined at a later time with both County Environmental Health Services and County Planning and Development having access to the fund.**

Enforcement of criminal nuisance would benefit the community by improving quality of life, which is difficult to quantify. However, contributing factors to improved quality of life which may be tracked include reduction in criminal activity, increase in property value, new legitimate businesses established in the neighborhood, and improved resident satisfaction in the community<sup>8</sup>.

#### **D. Caseload/Staffing Analysis**

Table 2 (next page) shows current information available on caseloads and staffing for each department pertinent to this analysis and also includes future projections. Staffing for County Assessor depicts estimated staffing needs by OMB for the mandate this year and next year. County Environmental Health Services and County Planning and Development staffing reflects budgeted positions performing those functions this year and next year.

<sup>8</sup> FY 1999 Program Plan. BJA Bureau of Justice Assistance, U.S. Department of Justice, Office of Justice Programs, p. 16

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Projections made by OMB include staffing and caseloads for County Attorney and caseloads for County Planning and Development. County Attorney currently has 30.5 budgeted positions allocated for justice court coverage, OMB projected 31 staffing positions for County Attorney next year based on the staffing pattern for the years provided.

County Assessor provided the number of residential rental properties expected to be registered this year and next year. Information from the other departments is on environmental health code, zoning ordinance, building code, and weed abatement ordinance number 11 complaints, investigations/inspections, referrals, and prosecutions, part of which is work activity that will most likely be associated with SB 1278 dealing with criminal nuisance.

However, the extent of caseload impact from SB 1278 is still unknown at this time. Currently, three abatement cases are being pursued by County Attorney, County Environmental Health Services, and County Planning and Development under the weed abatement ordinance number 11, one case involving an apartment complex with 20 rental units located at the 80th Avenue County Island, an unincorporated Maricopa County community.

The original staffing request to implement SB 1278 included: 3 clerical/support staff for County Assessor; 1 attorney, 1 legal assistant, 1 legal secretary, and 1 investigator for County Attorney; 1/3 environmental specialist for County Environmental Health Services; and 1 enforcement officer for County Planning and Development. County Environmental Health Services later changed its staffing request to a half time (.5 FTE) position.

**TABLE 2: CASELOADS AND STAFFING**

COUNTY ASSESSOR				COUNTY ATTORNEY				
	Residential Properties	Clerical/Support Staff		Env. Hlth. Svcs. Referrals Misdemeanors (Annual Avg.)	Cases Disposed	Plan. & Devel. Referrals Misdemeanors	Total Misdemeanors Disposed	Attorneys
CY97	87,000			FY96-97 94	13	15	13,974 (CY96)	29 (CY96)
CY98	91,000			FY97-98 94	12	48	17,079 (CY97)	32.5 FTE (CY97)
CY99 Proj.	108,000	3 FTE		FY98-99 94	15	82	15,900 (CY98)	30.5 FTE (CY98)
CY00 Proj.	125,000	.5 FTE		FY99-00 Proj. 94	16	142	16,536 (CY99)	31 FTE (CY99)
				FY00-01 Proj. 94	16	227	17,032 (CY00)	31 FTE (CY00)

ENVIRONMENTAL HEALTH SERVICES				PLANNING AND DEVELOPMENT			
	Complaints	Env. Hlth. & Nuisance Investigations	Sanitarians		Zoning, Code, & Ordinance Inspections Made	Zoning, Code, & Ordinance Open Cases	Building Code Enforc. Officers
FY96-97	3,216	6,023	NA	CY96	3,205	486	2 FTE
FY97-98	9,695	6,400	41 FTE	CY97	5,024	827	4 FTE
FY98-99	9,066	8,481	45 FTE	CY98	4,723	979	5 FTE
FY99-00 Proj.	19,577	5,561	49 FTE	CY99 Proj.	5,322	1,196	5.5 FTE
FY00-01 Proj.	20,556	5,730	54 FTE	CY00 Proj.	5,885	1,416	6 FTE

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- The County Assessor projected caseloads for the first year justify 3 full-time staff for only the first year and one half time position for second year and ongoing caseloads. However, County Assessor is currently funding five temporary employees and paying overtime for permanent staff to register the 108,000 residential rental property owners and will continue to use the same arrangement for the remainder of the year. About half of the residential rental property owners have been registered. The half time position will address the 17,000 increase in registrations projected for next year. Fifteen (15) forms are currently being processed in one hour by County Assessor staff.
- County Attorney has been receiving referrals from County Environmental Health Services and County Planning and Development for criminal prosecution as misdemeanors. County Environmental Health Services criminal cases are charged as class 3 misdemeanors and County Planning and Development cases as class 2 misdemeanors. The number of attorney positions shown in Table 2 are assigned to justice courts for County Attorney and have no or minimal training on the complex issues of criminal abatement.

County Environmental Health Services directly requests a hearing at the justice court level and attorneys covering court that day handle those cases. As shown in Table 2, about 13 cases per year in the last three years were prosecuted and disposed by County Attorney from an average of 94 cases scheduled for a hearing at a justice court, which is a case disposition rate of about 14%. The disposition rate for County Planning and Development referrals could not be determined at this time.

If 100% of all referrals to County Attorney from County Environmental Health Services and County Planning and Development were to be pursued for prosecution and disposed, they would still represent a very small percentage of total misdemeanor cases disposed by County Attorney. Additionally, the impact to these cases and new activity from SB 1278 is unknown at this time. Therefore, staffing needs for non-mandated functions for the County Attorney cannot be determined at this time.

- County Environmental Health Services number of complaints are expected to increase but the number of investigations conducted are decreasing. The department experienced efficiencies in processing complaints and recent positions gained will be able to address increased complaints. As with the County Attorney, SB 1278 impact on caseloads is yet unknown.
- County Planning and Development is gaining one position effective January 1, 2000 (Table 2 indicates a half time position for FY 99-00 because the full-time position will be used mid-year). Overall, in looking at average caseloads for

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cases open and inspections made per staff for the last three years and for future increases projected, a sufficient number of staff are currently allocated to those functions. Increased inspections may warrant a half time position but 1 technician position, not included in Table 2 assists with preliminary work for inspections. Additionally, changes in caseloads may not be attributed solely to SB 1278, as its impact is not yet fully known.

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#### **IV. RECOMMENDATIONS**

OMB recommends that initial activity relating to non-mandated functions is absorbed and a budget issue is submitted during FY 00-01 budget preparation including the following information:

- New activity associated with SB 1278 and caseload projections based on the new activity. Departmental activities may include number of complaints received by each department, investigations/inspections, violations, cases referred for prosecution, cases prosecuted and disposed (broken down by offense and penalty). Specifically, this should address criminal nuisance abatement injunctions and felony prosecutions on city referrals for injunction violations.
- Performance or outcome measures should be included to assess future program success quantitatively. They may include enforcement tracked by number of violations pursued resulting in criminal and civil penalties. Improved quality of life may be tracked by reduced crime rate; increased property value assessment of rental or commercial property; value of new business(es) established in the neighborhood, creating jobs, generating rental income for rental property owner, etc.; resident survey on community satisfaction.
- Staffing time and cost required to perform functions for the new legislation. Include costs for receivership and abatement costs. Also include revenues from fines collected.

Additionally, County Attorney should continue to submit grant applications for community prosecution addressing community justice. The Bureau of Justice Assistance (BJA) may be a good source and collaborative efforts among different jurisdictions are encouraged by BJA. Technical assistance grants are also available through BJA, to assist with the development of long range strategies, goals and objectives, performance measures, etc.

#### **V. CONCLUSION**

**The only mandated function per SB 1278 is for the County Assessor, involving registration of residential rental property owners, maintenance of the information, and access of the information to the public. Some costs incurred in preparation for the new mandate were absorbed by the County Assessor in FY 98-99. The remaining costs will be absorbed in FY 99-00 and ongoing costs beginning with FY 00-01 will also be absorbed.**

**As County Attorney, County Environmental Health Services, and County Planning and Development functions per SB 1278 are non-mandated, a**

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situation is not presented at this time requiring immediate funding since compliance with a mandate is not an issue. SB 1278 revises past criminal abatement statutes, which will help in enforcing abatement of criminal nuisance. Additionally, it defines what slum property is and establishes a procedure by which abatement of slum property may be pursued. SB 1278 gives the County Attorney, County Environmental Health Services, and County Planning and Development the authority to enforce the legislation but it does not require them to enforce it.

To fund non-mandated functions for SB 1278 through the general fund, total first year (11/99/-6/99) costs would be an estimated \$289,100.11 and \$283,243.18 in estimated second year and ongoing costs (annualized). This includes \$100,000.00 for an abatement fund each year. County Planning and Development would be able to support staffing and other operational and one-time costs with the collection of fees and fines.

However, caseload projections on non-mandated functions pertinent to SB 1278 cannot be determined at this time. Although currently some functions performed may relate to SB 1278, an accurate analysis cannot be conducted on future staffing and funding needs for SB 1278 non-mandated functions.

OMB recommends that initial activity for non-mandated functions is absorbed and a budget issue is submitted in FY 00-01 with future caseload projections and measurable outcomes or performance measures. Criminal nuisance abatement has a direct intangible benefit of improving quality of life which is difficult to quantify, making a cost benefit analysis also difficult. However, certain data with a direct correlation to improved quality of life may be tracked, i.e., reduced crime rate, improved community satisfaction, etc., thus providing a measurement of the benefit(s).

The decision on whether to fund the non-mandated functions remains a policy decision by the Maricopa County Board of Supervisors, also taking into consideration other competing priorities. If non-mandated functions were to be funded, establishing performance measures or outcomes for continuous funding would be recommended.